



New England Craft  
Cultivators, LLC

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Groton: Detailed Dispensary Operations, Policies and  
Procedures

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New England Craft Cultivators  
113 George Street  
Boston, MA 02119

Ture Turnbull  
617.602.7868  
[ture@visittreehousema.com](mailto:ture@visittreehousema.com)

Wes Ritchie, Esq.  
508.479.8344  
[wes@necraftcultivators.com](mailto:wes@necraftcultivators.com)

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## **Internal Employee Operations:**

### **1. Job Descriptions**

Employees at NECC initially staff its dispensary with up to 15 initial on-site employees for efficient and smooth operations. The staff will include the Dispensary General Manager (1), a Lead Sales Directors (1) Sales Directors (3), and Security Leads (2).

Dispensary General Manager – Closely supervises the Sales and Security departments in providing customer reception, education and support, new customer orientation, and a positive overall retail experience; ensures the dispensary is in strict compliance with all state regulations with regard to customer registration and dispensary access; ensures educational materials are available to all customers; receives and resolves any customer issues; supervises the daily operation of the Sales and Security departments in providing excellent customer service; oversees retail package handling, all visual displays, proper dispensary floor storage, and accurate sales transactions and reporting; ensure full compliance in dispensing of retail products; ensures sales staff provides outstanding customer service by providing absolute accuracy in the sales process; monitors and analyzes sales reports, addresses customer concerns when necessary; oversees inventory and cash controls; orders and receives marijuana deliveries; ensures storage, labeling, tracking and reporting of all retail items and cash, and enforces quality control standards.

Lead Sales Directors – Greets customers upon entrance to the dispensary, verifies and checks in customers, conducts new customer orientation and education, orients customers as to their legal rights and responsibilities, inputs data into customer database, addresses questions and resolves complaints, addresses special needs, and assists the Security team in monitoring the dispensary's security status.

Sales Directors – Provides outstanding customer service by efficiently providing products with absolute accuracy in the sales process; ensures products are sold only to customers with required identification over 21 legal years of age; and ensures that all sales are accurately and comprehensively tracked in the POS system.

Security Lead – Works as a member of the security team to implement security policies and procedures to protect the property, confidentiality and assets from theft, damage or acts of vandalism; acts as a visible resource for the responsible and secure operation of the facility, interacting with customers and staff in a positive manner, while maintaining compliance with dispensary rules of conduct and state laws and regulations.

#### **Corporate Positions:**

Co-CEO/Director of Management: The Director/CEO of NECC will be responsible for the operation of the overall facility, as well as management of the plans throughout and staff, as well as compliance and other regulatory issues.

Co-CEO/Director of Operations: The CFO will work as part of the management team to ensure profitability and sustainability of the business as well as responsibility to investors and partners.

Controller: The Controller will work to ensure all human resources and personnel policies are followed and in compliance. The CCO will also maintain regular communication with the town and licensing authorities and stay up to date on laws and regulatory changes that impact the business.

## 2. **Employee Services**

Pursuant to state laws and regulations, NECC, LLC has established written policies and procedures governing the qualifications, recruitment, hiring, and training of operators, employees, and subcontractors working at the Marijuana Retail Establishment (MRE).

### **PayChex Vendor Services:**

□ **Payroll Services:** In addition to processing the organizations regular payroll for both exempt, and nonexempt employees, Paychex will ensure compliance with federal and state regulations in regards to payroll taxes by managing withholdings for federal, social security, Medicare, state & local taxes, and also provide end of year W-4 processing.

□ **Employee Handbook:** Paychex-integrated employment information will be folded into the employee handbook. This will include company specific policies, and matches company culture, while still maintaining regulatory compliance with local, state, and where applicable, federal law.

□ **Employee Assistance Program (EAP):** Provides employees, and their eligible family members access to BalanceWorks, a confidential service that provides assistance via quick online or telephonic support to assist with day-to-day issues, or improve work/life balance and enhance well being. Assistance is made available via referrals, research, information, and/or price discounts in the following areas: Travel, child care, financial information, relocation, home projects, eldercare, pet care, automotive services, event planning, and medical information. In addition, the EAP program offers a wellness program. The wellness program includes a comprehensive health risk assessment, up to three sessions with a personal wellness coordinator; help navigate wellness services, and wellness tools, trackers, and articles.

□ **Applicant Tracking System (ATS):** Recruiting and applicant tracking will be streamlined through the use of the Paychex applicant tracking system to assist in creating a positive candidate & new hire experience by providing a paperless software to express interest in open positions, storing job descriptions, and employee onboarding.

### **Training:**

NECC, LLC will provide training upon hire as well as annually to each employee including but not limited to:

- Health, safety, and sanitation standards as required by the Department;
- Security procedures;
- Prohibitions and enforcement as described by all rules and regulations;
- Confidentiality and all other provisions under state law that applies to the individual's scope of employment.

### **Record keeping:**

NECC, LLC, will retain all records, both physical and electronic for a minimum of one year, unless required for a different term under state law or regulation. Electronic data will be encrypted and stored on secure servers in secure storage areas under 24-hour video surveillance. Physical records will also be stored in a secure storage room under 24-hour surveillance. The secure storage room will have limited access. The Dispensary may utilize biometric security measures as well as pin number protection. Access Logs will be analyzed daily to ensure no unauthorized entry has occurred. Access Logs, as well as all other records required by the Cannabis Control Commission, will be stored for a minimum of one year unless otherwise required by law and regulation, including but not limited to:

**Inventory Tracking:** Inventory tracking including transport of Cannabis and manufactured Cannabis products.

**Dispensing Limitations:** Sales records will be retained for each individual qualifying customer to reflect compliance with dispensing limitations as required by state rules and regulations.

**Financial Records:** Financial records including income, expenses, bank deposits and withdrawals, and audit reports.

**Entry and Exit Logs:** Logs recording every individual's entrance and exit from the Dispensary.

**Employee Records:** All human resource records, including application materials, performance records and other notations including evaluations will be maintained.

### 3. Employee Handbook

NECC, LLC will use an employee handbook that is designed exclusively for the unique operations of our MRE.

Section 1: How we work	Section 2: Pay and Work
<ul style="list-style-type: none"><li>• About the handbook</li><li>• Building for the future</li><li>• Equal Employment Act</li><li>• Parental Leave</li><li>• Americans with Disabilities Act</li><li>• Employee Relations Philosophy</li><li>• Anti-harassment Policy</li><li>• Employment Categories</li><li>• Driving Record</li><li>• Licensing Process</li><li>• Citizenship Requirements</li><li>• New Employee Relations</li><li>• Suggestions and Ideas</li><li>• Open Door Policy</li></ul>	<ul style="list-style-type: none"><li>• Recording Your Time</li><li>• Pay Schedule</li><li>• Paycheck Deductions</li><li>• Garnishment/Child Support and State Laws</li><li>• Performance Reviews</li><li>• Pay Raises</li><li>• Pay Advances</li><li>• Overtime</li></ul>
Section 3: Time & Benefits	Section 4: On the Job
<ul style="list-style-type: none"><li>• Employee Benefits</li><li>• Holidays</li><li>• Paid Time Off (PTO)</li><li>• Jury Duty</li><li>• Voting Leave</li><li>• Military Leave</li><li>• Family Medical Leave</li><li>• Leave of Absence</li><li>• Victim Leave</li><li>• Medical Insurance</li><li>• Dental Insurance</li><li>• COBRA</li><li>• Banking &amp; Mortgage Specifics</li><li>• Family Medical Leave Act</li><li>• Social Security</li><li>• Unemployment Compensation</li><li>• Worker's Compensation</li><li>• Employee Assistance Program</li></ul>	<ul style="list-style-type: none"><li>• On the Job Conflict</li><li>• Confidentiality &amp; Care of Records</li><li>• Attendance and Punctuality</li><li>• Breaks and Meals</li><li>• Standards of Conduct</li><li>• Access to Data</li><li>• Client and Public Relations</li><li>• Changes in Personal Data</li><li>• Care of Equipment</li><li>• Personal Property</li><li>• Severe Weather and National Disasters</li><li>• Phones, Social Media, Communications</li><li>• Dress Policy</li><li>• Personal Hygiene</li><li>• Protecting Organizational Information</li><li>• Conflicts/Code of Ethics</li><li>• Outside Employment</li><li>• If You Must Leave Us!</li></ul>
Section 5: Safety in the Workplace	
<ul style="list-style-type: none"><li>• Safety Policies</li><li>• Loss-Prevention Policies</li><li>• Anti-Violence &amp; Codes of Conduct</li></ul>	

#### **4. Hiring Procedures and Standards**

All employees must go through job specific training including personnel file confidentiality, workplace policies, job descriptions, pay rates, etc. It is the responsibility of the NECC as well as the director of human resources to train new hires to every position.

NECC will properly train all of its employees before they are permitted to work in all retail position. Prior to being offered an employment position with NECC, all applicants will be required to pass a background check to ensure the potential applicant does not have any criminal felony convictions or have been convicted of the crimes listed in the CCC's regulations and otherwise is of good moral character. NECC intends to offer competitive wages and salaries, as well as benefits packages that include paid time off and health insurance, to all full-time employees. Exact compensation and benefits plans and packages are in the process of being developed. It is the NECC's goal to pay salaries that are, at a minimum, equitable and commensurate with salaries paid for similar work within the labor market. Positions will generally be classified and then assigned a salary range that defines a minimum and maximum pay rate. An employee's salary may advance within the salary range as the result of performance reviews, promotions, market conditions and other business considerations.

In accordance with State legal requirements, employees will be compensated for hours worked in excess of forty (40) hours per week. Non-exempt employees will be paid one and one-half times their regular rate of pay for hours worked in excess of forty (40) hours in a workweek. Overtime pay is based on actual hours worked. Paid time off for holidays and vacations does not count as "hours worked" for overtime purposes. Any overtime hours worked by a nonexempt employee will be required to be approved in advance by the employee's supervisor. Non-exempt employees are not to work before, beyond or outside their normal working hours without such prior approval. Employees who fail to work scheduled overtime or who work overtime without prior authorization from a supervisor may be subject to disciplinary action, up to and including termination of employment.

Number of Employees—exact number of employees employed by the facility is to be determined upon deployment of operations and the establishment of personnel requirements; the breakdown of these requirements can be seen below within the job description section.

Pay Structure— The facility will determine this upon deployment of operations and the establishment of personnel requirements.

Job Termination & Transitions — all termination actions will follow standard procedures. Transitions include employees who move on from working at NECC. Basic steps include:



1. Notify management, ownership and, if necessary, town officials, of job termination.
2. Obtain all facility keys, ID badges or other company property<sup>[L]<sub>[SEP]</sub></sup>.
3. Disable/change all terminated relevant personnel facility security access codes or passwords<sup>[L]<sub>[SEP]</sub></sup>.
4. Notify required licensing authorities of the job termination of the key personnel.
5. Notify all remaining staff of the job termination or transition of the key personnel and inform them of the conditions of termination (i.e. employee is no longer allowed on the premise and to notify police or other authorities if said employee returns, etc.)<sup>[L]<sub>[SEP]</sub></sup>.
6. Contact security vendor and monitoring company to notify them of the job termination or transition of key personnel.

## **5. Dress Code & Hygiene**

Every employee will be expected to adhere to a strict professional dress code when working at NECC's retail location. The guidelines for employee attire will be outlined in the employee handbook. Employees who do not adhere to the dress code will likely be sent home if an adaptation is not available to them (for example, an extra NECC shirt being available).

Professional Hygiene Policy: The final professional hygiene policy will include the following:

- A. Every NECC employee must arrive to work wearing clean clothes and professionally presenting. Employees must have an inoffensive smell at all times.
- B. Men and Women must be neatly groomed, have hair that does not come into contact with marijuana products, and be neatly dressed in a non-provocative manner.
- C. All employees must wash hands thoroughly before handling any products, and after all restroom and other breaks where the hands may have become unclean.
- D. All employees must wear gloves or other proper hygienic gear if the person has or may have an illness, sores or other physical issues, wounds etc.

All infractions will be documented by Human Resources and repeat violations may be ground for termination.

## **6. Employee Training**

All employees must be properly trained to safely and accurately perform their job duties in compliance with all CCC and local regulations.

All NECC employees will be required to complete all training so they are prepared to adhere to policies and comply and execute properly under store procedures. The Chief Compliance Officer of NECC will oversee compliance with the trainings and all applicable Regulations. Managers and supervisors are required to ensure all employees and contractors receive retraining as needed. All employees and contractors are responsible for demonstrating proficiency in all activities performed and requesting training or re-training as needed for their performance.

Training Categories will include but not be limited to:

1. Customer Service Standards & Expectations
2. All company policies and procedures
3. Emergency Preparedness
4. Safe handling and best practices of marijuana product purchasing
5. Understanding labeling and the MA marijuana market
6. Specific product knowledge & vendor knowledge
7. Confidentiality, privacy and customer's rights
8. Electronic and Data Security
9. Marijuana strains, treatments and usage
10. Ethics
11. Banking and Personal Finance: Special Issues as a Marijuana Employee
12. Standard Operating Procedures across the board
13. Retail dispensary operations
14. Employee and personnel policies, including time sheet management and conflict resolution
15. Sexual harassment and "know your rights" trainings
16. On-site training pre-customer facing
17. Job shadowing
18. HIPPA Education Training
19. OSHA Compliance Training
20. Continuing education as regulations, practices, etc. change

Training will be documented and recorded, and there will be notations on the attendance in an employee's personnel file that is available to CCC or other licensed inspectors upon request. No employee who has not received the required trainings under law will interact with customers on behalf of NECC until all mandatory trainings are completed. NECC may offer tests to satisfy that knowledge is absorbed and understood, rather than simply conveyed.

## **7. Employee Timesheets & Payment Issues for Employees**

Employees will be compensated and hours worked by employees will be tracked through the Paychex (or similar vendor) system and all requirements will be met. NECC banks with Bay Coast Bank, which is one of a small number of banks that allows for marijuana establishments to bank with them. This presents unique issues, like making sure employees are able to qualify for loans and mortgages, since most traditional banks do not allow for these financial instruments to be applied to if you work in a marijuana establishment under state law.

NECC will require hourly employees to submit time sheets, employees are expected to be paid every two weeks, and NECC will offer employees the option to either have checks made out directly to the employees or direct deposit.

NECC will require all government employment forms, including but not limited to a W-4 form and I-9 form.

Managers will sign off on time sheets, and all hours will be tracked electronically. Overtime will be permitted consistent with state law.

## **8. Performance Evaluations & Professional Development**

Management and ownership will provide for professional development for employees to move up within NECC, and the broader marijuana industry in Massachusetts and, where possible, nationally or in other states. We will build in the option for our employees to travel to local marijuana conferences with sponsorships from our company to cover registration costs and other costs as appropriate. We believe in developing employees and helping people meet their own career goals and expectations.

NECC Management will be responsible for conducting performance evaluations quarterly, semi-annually and annually, depending on the employee. Employees will begin employment with a probationary period and receive their first evaluation within 90 days of the probationary period. A positive evaluation is required to continue employment with NECC.

## **9. Logs, Personnel Files and Record Keeping**

Pursuant to all CCC Regulation, the dispensary shall keep and maintain upon the permitted premises for a six-year period true, complete, legible and current books and records, including but not limited to the following:

- Inventory tracking including transport of company cannabis and manufactured cannabis products
- Sales and compliance with regulations pursuant to CCC Regulations
- Financial records including Company income, expenses, bank deposits and withdrawals, and audit reports;
- Logs of entry and exit for dispensary facilities
- Employee records

Security recordings will be retained a minimum of one year. The dispensary will submit quarterly reports on the 15th of each quarter, thus, on January 15, April 15, July 15, and October 15. (Reports will be considered on time if submitted the next day if the 15th is a Saturday, Sunday or a State holiday.) Reports shall include, but are not limited to pursuant to state regulations:

- Records of entry and exit for all individuals who entered the facility
- Amounts by category of cannabis products manufactured and offered for sale by the dispensary
- Amounts by category of cannabis and manufactured cannabis products sold by the dispensary
- A list of all cannabis, manufactured cannabis products, or unusable cannabis materials that have been destroyed or will be destroyed by the dispensary
- A summary of the financial statement
- Laboratory results of all tests that were conducted
- Description of any breach or halt in the dispensary's security system and tracking system
- Any additional/other information requested by the department

Logs to be recorded and maintained include:

- Visitor Logs
- Cleaning Logs
- Maintenance Logs
- Trash/Disposal Logs
- Daily Inspection Logs

Not all employees will have access to personnel files. Employees who have access to personnel files will be specially vetted to review them and trained in security protocols to maintain their confidentiality. All employee, training and performance evaluations, complaints, violations and other relevant performance records will be maintained for no less than 6 years or longer as required by CCC regulations.



## **Dispensary Customer-Focused Procedures and Processes:**

### **10. Customer Service**

NECC is aiming to serve a wide range of customers, from those who already regularly use recreational marijuana products and typically buy it from other locations or those who are used to purchasing on the black market. We also expect to offer a craft-focused and individually tailored experience for adults over 21 years of age who are interested in trying high-end, locally and responsibly grown cannabis products. Accordingly, we expect to offer a stress-free, safe environment for our customers to receive what they came in looking for. All of our employees will be trained to provide this safe environment, and will be responsible for maintaining that spirit for the customer.

- Hours of operation will be 8am-10pm Monday to Sunday, we will be closed on holidays.
- All opening employees are required to show up to work 30 minutes prior to the shop opening to start their shift and perform diligence and compliance functions.
- All products sold at the dispensary will be approved by the CCC and tracked in the seed-to-sale tracking systems required by state licensure.
- Absolutely no inhalation or other ingestion of marijuana shall be performed on the site. Any person who does so will not be permitted to shop at NECC facilities again.
- When customers enter our facility, they will enter into a “holding room” where they will be greeted by security personnel. Security personnel will ask for their government issued identification and scan the identification into our electronic verification system to make sure that identification is valid. No customer without a valid identification will be permitted past the security “holding room” and into the dispensary.
- No customers will be allowed to consume food or drinks at the facility.
- Once permitted entry, an employee will hand the customer a menu of available products, explain the products, and answer questions of the customer will greet a customer.
- Once a customer is ready to order, he or she will approach a register and make their order to a staff member.
- Once the customer makes the order, the dispensary staff member will approach the locked marijuana storage products and take out only what is asked for by the customer. Customers are not permitted to handle the product in the store prior to or after purchase of the product.
- If for any reason, including disability, a customer is unable to follow this standard protocol, a manager will be called to assist the customer directly.
- The sale will be entered into the point of sale system and the sales agent will collect either the cash or credit/debit card of the customer to complete the purchase. The sales agent will provide a receipt with the summary as well as the purchased product to the customer.
- The customer will then leave the store.



- If the customer needs to reenter the store after purchase, or for example left their wallet in their car before completing the transaction, the customer will be required to go through security again as if they are a new customer.
- If at any time there is a cash balance within any point of sale system of \$4,000 or more, the sale agent, with supervision of a manager, is required to prepare a cash deposit into the cash vault which is located off of the sales floor and in the reinforced safe room.
- Closing employees are required to stay after the hours of the dispensary to complete closing tasks, which are included but not limited to an evening inventory, securing and documenting all cash deposits and preparing the deposits for transfer to Bay Coast Bank through our Security service.
- The store will be cleaned thoroughly, and all trash will be taken out in accordance with state regulations to our locked and secured private dumpster. The security personnel will escort any employee to dispose of garbage at the end of the day, and an employee of the dispensary will take out garbage. All logs will be kept as it relates to closing out and garbage disposal.
- With the exception only of local and state licensed professionals performing diligence, no person aside from employees of the dispensary shall ever be allowed behind the registers or in the private, biometrically accessed safe rooms or product storage areas.

## **11. Opening Procedures**

Opening employees have the great responsibility of making sure the store is prepared for customers the moment business opens. Our store will only open if there is a manager, two or more sales associates, as well as a security officer present. The list of opening-tasks mirrors that of most retail stores, but also include detailed and specific tasks for both record keeping and security, all of which will be completed or overseen by the manager on duty:

- Disable Alarm System
- Turn on all lights
- Review the closing report from the previous night and sign a form acknowledging it was read and understood
- Review any store opening checklist and visually inspect the store
- Open safe, check and place cash registers in the appropriate machines
- Turn on electronic devices like point of sale machines
- Assign cleaning and merchandising duties
- Confirm daily employee schedule and fill any gaps if necessary
- Check all signage and make sure it is consistent with NECC's daily plans
- Make sure security system is operational
- Ensure stock of supply corresponds to the menu of products being offered and adjust as necessary, and print out correct menus.
- Check email from the company and respond to all relevant emails
- File opening checklist in the appropriate location and digitize it to improve security of what is completed.

## **12. Customer Intake Process**

NECC will comply with state regulation 935 CMR 500.140(3) and any additional local regulations. procedures for how MRE's interact with customers. NECC will only allow customers that are 21 years or older and have a verified and scanned government issued photo identification like a driver's license, official state ID, or Passport. Customers enter the MRE and will be greeted by security staff for the above verification before they are permitted into the retail floor inside. Customers who do not meet the security clearance and ID check will not be permitted in the MRE.

Each customer who passes the initial security holding area will be granted entry into the main sales floor. Expertly trained staff will greet customers and begin the process of guiding them through their shopping experience. The customer is not permitted to handle marijuana products prior to the sale, though we will have display items and a menu of items and descriptions that customers can interact with.

All products for sale will be stored securely and only accessed and delivered to the customer over the counter at the time of purchase. All packaging will be compliant with state regulations and will be child resistant, and when possible, compostable or otherwise not made of plastic. 935 CMR 500.105 lays out additional regulations for packaging and labeling that include strain information and requisite warnings, among others.

### **13. Point of Sale**

Every NECC Employee will be trained to learn our seed to sale tracking software as well as the point of sale system used to track inventory and check out customers. It is the expectation (although this is subject to change) that NECC will partner with a reputable point of sale software system that is operational in marijuana retail establishments across the country.

CCC Regulations mandate that:

(a) A dispensary licensee shall track electronically the dispensary's inventory of marijuana and manufactured marijuana products through each stage of processing, from propagation to point of sale, disposal, or destruction, and maintain a record of clear and unbroken chain of custody at all stages, including during transport of the inventory between dispensary facilities and between a dispensary facility and a laboratory. This facility will provide RFID tagging and other identification numbers to aid in tracking and the point of sale of function.

(b) A dispensary licensee shall track electronically all sales of marijuana and manufactured marijuana products to customers from all dispensaries in the Commonwealth, to ensure that no sales are authorized in excess of legal limits, and shall have a sales system that automatically prohibits sales in excess of the legal limits and that cannot be overridden manually.

(c) A dispensary licensee shall acquire, operate, and maintain a secure computer software tracking system that interfaces with the department's computer software tracking system to allow the department real time, twenty-four hour access to the dispensary licensee's tracking system and inventory records. The dispensary licensee's tracking system shall capture and report all the data required by the department's tracking system. The facility has selected MJ Freeway for this requirement due to its ease of integration with the state's software.

(d) In the event of a breach or failure of its tracking system, a dispensary licensee shall suspend operations dependent on the tracking system until the tracking system is fully operable. The dispensary licensee shall notify the CCC immediately upon the breach or failure, and again when it resumes operations.

All customers shall be trained on the use of point of sale systems and will be responsible for reconciling their cash drawers at the beginnings, in the middle where a deposit in excess of \$4,000 is made, and end of their shifts. Employees will sign the forms, and management will review them to ensure there are no discrepancies. Any suspicion of misconduct, product or financial loss, will be met with the immediate firing of an employee as well as notification to law enforcement and regulators of any suspected misconduct.

#### **14. Display of Marijuana Products**

NECC will not display marijuana products on the sales floor. NECC will have educational materials, an ordering menu with pictures of the products available for viewing. No products will be able to be handled or otherwise (ie: smell) inspected by customers prior to purchase of the products.

NECC may have interactive displays of customers in the “holding room” for customers to review prior to admission into the retail store itself. This is not yet decided, but may come over time depending on the wait time for customers and to ensure an educational experience for the customers.

## **15. Consumer Education**

NECC takes the education of its customers and the general public extremely seriously. We expect the following materials to be available for all customers, including those with disabilities and for whom English is not their first language:

- All required warning as adopted by the CCC, which includes notice that all marijuana products are not approved by the FDA, as well as the restrictions placed on marijuana by state law.
- A focus on safe operating and a reminder that it is unlawful to consume marijuana in public and to drive under the influence of marijuana.
- Information about dosing and consumption of marijuana.
- Helpful instructions and suggestions for making sure marijuana is kept out of the hands of people under the ages of 21 years old at all times.
- Facts and resources related to substance abuse and where to turn to for help, both locally and state-wide.
- Information regarding penalties if one is to redistribute legally purchased marijuana.
- All other information required by local and state licensing authorities.

## **16. Guest Registration**

NECC's facility is a very secure location where unexpected guests are not permitted. No person without government ID shall ever be permitted to enter the facility, no matter the circumstances. Guests for the purposes of this section shall include vendors, security personnel otherwise not employed by the company, or potential partners ie: cultivators and manufacturers of marijuana who are considering wholesale partnerships with NECC.

Prior to visitor arrival, it is required that 48 hours of notice shall be provided to ensure there are no issues that would prevent the specified visitor from being allowed into the facility. It is required that the full legal name of the visitor, the date of the expected visit, all relevant employer information, and a list of the purpose of the visit be provided in writing to the security company.

A NECC manager or, where appropriate, employee, will be physically present with any guest on NECC premises at all times.

All guests will be required to have a government issued identification that also is electronically verified by our security team prior to entry into the facility.

A visitor log shall be maintained by NECC at all times for inspection by licensing authorities.

## **Dispensary Security and Safety Toplines:**

### **17. Room Area Descriptions**

All NECC rooms, as well as the outside, will be secured with video surveillance that is stored in the cloud and is electronically backed up in the event of a municipal power outage. All video storage shall be stored and accessible for at least one year, and there shall be no part of the internal, external or parking facilities that is not visible in security cameras. NECC's Groton Dispensary shall have the following rooms all within the existing 1700 square foot of the retail establishment:

1. Entry Room: This room will be entered from the front door as the main entrance. This is the room where customers are permitted to enter or exit the main facility.
2. The Sales Floor: This room is where there will be 5 point of sale stations and is where customers sit and stand to order their marijuana products.
3. Safe Dispensing Room: Adjacent to the sales floor, this is where sales agents will enter to fill customer orders.
4. Bathroom: We will have a unisex bathroom that is available to employees only.
5. Safe Room: We will have security mesh built into all walls of the safe room with an underground cash deposit room. This room will be inaccessible to anyone aside from management.
6. The Man Trap Room: Prior to entering the safe room, there will be a mantrap room for extra security to prevent any security violations.
7. Delivery Hallway: Deliveries will enter through the back of the facility, and inventory can be taken in the store prior to inventory being put in the Safe Room.



## **18. Inventory Controls**

It is the ultimate responsibility of the manager to complete inventory related forms to ensure full compliance with state regulations.

Inventory will be tracked electronically from the moment it is ordered for delivery through its sale or disposal, with our inventory tracking system managed by our seed-to-sale tracking system, MJ Freeway. Our tracking system is fully integrated with all state tracking requirements and systems. This provides real-time, electronic inventory updates that are accessible to regulators, company officials and managers at all times.

Delivery and shipping manifests will be maintained in NECC's cloud storage database, and all other records will be maintained in compliance with CCC regulations.

## **19.     Storage Procedures**

Once delivered to our facility from the cultivators and manufacturers, marijuana will be stored in our safe room, which is temperature controlled to protect the integrity and quality of the marijuana products prior to their sale to customers. Access to the safe room will be only granted to managers, who will control the product flow to the safe dispensing room. These rooms will not be treated by chemicals, and will be cleaned in the most meticulous ways to prevent any insects, rodents or other pests.

Marijuana that is dispensed to customers from the safe dispensing room will not be left overnight, and must be locked in the safe room as part of the store closing process. As part of the opening process, the manager will move marijuana from the safe room to the safe dispensing room.

All movement of marijuana from the safe room will be electronically scanned so that its movement can be tracked and to prevent any product loss. We expect a loss percentage of 0%. As product moves through the facility, bar codes will be scanned so that our seed to sale tracking system knows where each product is at each moment prior to customer sale.

## **20. Dispensary Security**

NECC will be one of the most secure facilities in all of Groton, and no shortcuts will ever be taken or tolerated as it relates to the security of our staff, customers, the community or products.

Experts in local police departments from the Merrimack Valley have put our security plan, which is not included in whole in this operations plan. It is tailored to our site and all the specifics are related to our facility.

Day-to-day, the security officer (who will be stationed out front from 30 minutes prior to opening until the closing and deposits are complete after closing) as well as dispensary staff will all have roles to play in maintaining safety.

All employees will have the following specific competencies:

- Training and knowledge on all security regulations for marijuana products and dispensaries
- Detailed understanding of NECC security policies and procedures
- The ability to notify law enforcement immediately through panic buttons if necessary or phone calls if non-emergency related
- The ability to assist in opening and closing the facility
- The ability to monitor security systems of all kinds
- Assist the managers with deliveries, as required by the town
- Complete shift reports, visitor and access logs
- The ability to elevate any systemic concerns directly to management or ownership, depending on what is appropriate in their judgment
- Training to intervene in a customer's medical emergency and summon the appropriate authorities ie: medical, police, fire

## **21. Incident Reporting**

There shall be incident reports always written up in the event of a security related issue upon the completion of the emergency component of the issue. Each staff member will be honest in describing any circumstances surrounding an emergency.

## **22. Emergency Protocol**

NECC will establish emergency procedures and protocols to be implemented in our dispensary in consultation with the relevant Groton town departments, including but not necessarily limited to the Groton Police Department and Groton Fire Department. Employees of NECC will be fully trained on emergency protocols once employed by the company. Very specific emergency protocols will be developed for armed robbery, fire emergencies, burglary or invasion. Guidelines for the protocols are as follows:

### **a. Armed Robbery**

- NECC values its employees and all human life first. All inventory, cash, etc. is replaceable, but safety is the most important and should never be compromised.
- If being robbed at gunpoint or you feel your life is in danger, comply with all requests from perpetrator. Give them whatever they ask for.
- Try to signal for help through security panic buttons provided or through the panic button or police services button located on the alarm panel.
- Contact police as soon as possible.
- Notify any required state or local authorities.

### **b. Burglary**

- Contact 911 for break-ins or burglaries.
- Contact any required state or local authority in cases of theft, break-ins or burglaries.
- Theft can come generally from employees or from non-employees, and we will be trained to prepare for both types of theft and respond accordingly when it is suspected or discovered.

### **c. Fire**

- If fire is small and isolated, try to exhaust the fire with one of the fire extinguishers.
- In case of a fire emergency, evacuate the store by announcing the evacuation loudly and calmly.
- Upon safety of all people immediately in danger, dial 911 for Fire Department or push the symbol on the alarm panel for fire emergency.
- All employees will participate in fire drills prior to the store's official opening, and drills will be maintained regularly for newer employees.

**23.    Evacuation Plan**

NECC will have an evacuation plan that all employees are trained to understand and have drills prior to employment.

## **Facilities & Inventory Management:**

### **24. Inventory Management**

Inventory management will be maintained electronically using our seed-to-sale tracking system, as well as with relationships with cultivators, manufacturers and distributorships as agreed upon in contracts executed by NECC and the businesses.

NECC will employ a “First in, First out” inventory model, meaning that the company’s oldest inventory items will be sold first. Management will ensure that all employees are trained properly on inventory methods to ensure that this and all procedures are being followed.

Inventory management is a critical factor to ensure the success and popularity of our company. Pursuant to all CCC regulations, the tracking of all marijuana from seed-to-sale will be done through an advanced electronic inventory control system with multiple checks and balances in place to allow our staff to have a complete awareness of all inventory through each stage of processing from delivery to point of sale, disposal, or destruction.

The electronic inventory control system will allow the regulators to monitor in real-time, the dispensary’s tracking system and inventory records. All data collected by staff shall be recorded through the use of template log sheets, computer systems, Secured Information Systems (SIS) and Point-of-Sale systems (POS). In accordance with CCC regulations, the dispensary will maintain a record of clear and unbroken chain of custody at all stages.

Physical inventory counts will be done on a daily, weekly, and monthly basis. Inventory control procedures shall be utilized as the primary way of determining whether there has been any product diversion and ensuring that all cannabis and cannabis-infused products are only being distributed legally to qualified customers over the age of 21.

Physical inventory template log sheets will be filled out each morning before the start of business and again at the closure of business. All weekly inventory/tracking requirement procedures shall be conducted in full compliance with state regulations. Data collected during daily, weekly, annual and random inventory procedures shall be logged and input into computer, SIS, and POS systems. Inventory figures will be cross-referenced with the POS system inventories and data to determine that there are no quantity discrepancies and the chain of custody is maintained in a clear and unbroken manner. In the case of a discrepancy within inventory, we will investigate the root cause of the discrepancy to determine the cause. If the discrepancy is due to employee theft or diversion, we will act quickly to terminate the employment of the perpetrator and contact all necessary authorities for further action. All inventories, procedures, and other documents required by the department shall be maintained on the premises and made available to the department at all times. In the event of a breach or failure of the tracking system, the dispensary shall suspend operations depending on the tracking system until such time that

the tracking system becomes operational. The dispensary will notify the department immediately upon such aforementioned event and again when the operations are resumed.



**25.    Facility Cleaning**

A perpetually cleaned facility is required at all times. All employees will be trained to clean each room of the facility as well as deep cleans monthly of the safe room and safe dispensing room. All cleaning products will be non-toxic and non-chemical based and water will be heated to a temperature that is required to disinfect each surface.

## **26. Disposal of Cannabis by Facility**

We foresee the destruction of marijuana under very limited circumstances, that include but are not limited to:

- If the marijuana is “expired” and should not be sold any longer.
- If the marijuana is damaged in any way and not fit for sale.
- If it is related to a testing issue and is recalled by regulators.
- If the marijuana accidentally is exposed through an accident in handling and is therefore not safe for resale.

Most importantly, all destruction of marijuana shall be completed on video and stored for up to six years. All marijuana must be recorded as destroyed and disposed of through the seed-to-sale tracking system and approved by managers in the system. It is the responsibility of the manager to ensure that all marijuana is destroyed in accordance with law and that all procedures are followed through the secure disposal of the marijuana.

Consistent with state law and regulation, all marijuana must be disposed of in a way that has first rendered it inert and unable to be consumed.

## **27. Power Loss**

In the event of a municipal or other power loss, NECC will operate with backup generators to ensure that all security systems remain online and all cameras are recording and storing security footage.

All employees will be trained about procedures to follow should a power loss occur during the hours of operations. Power outages will be reported to the appropriate state utilities and employees may not conduct any sales unless power is on and fully operational. In the event of a long-term power outage, NECC will not operate until power is restored.

**28.     After Hours Contact Information**

The after hours contact information for the corporate owners of NECC, LLC is as follows:

New England Craft Cultivators  
113 George Street  
Boston, MA 02119

Ture Turnbull  
617.602.7868  
[trturnbull@gmail.com](mailto:trturnbull@gmail.com)

Wes Ritchie, Esq.  
508.479.8344  
[wes.ritchie@gmail.com](mailto:wes.ritchie@gmail.com)

## **Community, Public Safety & Security:**

### **29. Good Neighbor Plans**

As an organization we realize that when we begin operations we will become a member of the surrounding communities and as such we want to become a valuable and productive member within said communities. Safety for our employees and the surrounding communities is of upmost importance to our organization. We have plans to develop and implement community outreach programs. Such programs and events will include food and clothing drives for local food banks, churches, and others – and we expect this to be community driven.

#### **Good Neighbor Policy**

It is our policy to implement and execute a Good Neighbor Plan and respond to any reasonable complaint immediately to the complainant with a proposed solution and within 10 days or as otherwise requested by licensing authorities. All neighbor communications must be maintained as part of the company record. The intent is one of mutual respect between neighbors; to avoid adversarial positions, to treat others as one would like to be treated; to keep an open mind; and be willing to cooperate with neighbors with a goal of creating a safe and healthy neighborhood environment. NECC, LLC has worked hard to build positive relationships with the residents and businesses and will continue to build relationships with the community through:

- Introduction meetings with all surrounding businesses, building owners, and residents
- Educational information sessions to discuss the benefits of cannabis and the company's overall mission and goals
- Open feedback channels so any new concerns can be immediately addressed through our website, telephone, or mail
- Complete compliance with all state and local ordinances
- Non-obtrusive business practices that ensure our business is discreet and operates like any other business
- No blatant signage with offensive symbols or verbiage
- Unmarked discreet transportation/delivery vehicles
- No offensive or unpleasant odors

### **30. Environmental Plan**

Conservation and the reduction of our carbon footprint within the communities we operate in is a critical concern for our organization. We will look for new and innovative ways to reduce our carbon footprint within the dispensary. 'Reduce, Reuse, and Recycle' will be implemented on an organization-wide scale. Environmental sustainability is of the highest priority in order to promote a sustainable community and ensure the impact of our business is positive and influential in achieving future environmental goals. In order to reach this goal, we have contracted an architect who will design intelligently, utilize energy intelligently, and strive for procedures that lead to zero waste. The employee conservation plan will detail specific actions employees can take for conservation efforts to try and reduce their carbon footprint. A possible reward program may be created and implemented to reward facility employees for conservation efforts.

NECC employees will recycle all paper and plastic waste products. Energy efficient lights and equipment will also be utilized within the facility. We may, when practical, also create programs within the organization that will encourage and reward employees for their personal conservation efforts, such as riding a bike to work.

### **31. Plans to Prevent Diversion of Marijuana**

NECC's primary plan to prevent diversion of marijuana is through use of the MJ Freeway seed-to-sale tracking system, which has a live-updating inventory management system. This will allow for the early detection of inventory losses or discrepancies, which will lead to management investigations of said discrepancies.

It is also important that marijuana is not diverted from the legally purchasing customer once it leaves our facility. We will ensure that all products sold from our store are packaged in child and tamper proof containers. We plan to sell devices that will discreetly lock marijuana products away from children and not attract attention to them. The seed to sale tracking system will allow any labels recovered from product that ends up inappropriately to be tracked to the user who purchased it. We plan to work with law enforcement if necessary to reveal that data in the event of an investigation.

We take the possibility of employment diversion extremely seriously, and plan to instill a culture where employees are valued, paid enough to live comfortably, and disincentivized from the possibility of diversion. Our stores will be set up to minimize the chance of diversion and maximize the chance of understanding where diversion took place if it does, especially through 100% security footage of every part of the store and surrounding areas.

We take the pricing of our products seriously and will make sure that prices are not designed to create opportunities for resale in a profit making way.

### **32. Security Plans and Procedures (Elaborated Upon)**

NECC takes security seriously – and so do the regulatory bodies like the CCC, DPH and Town of Groton. We value the safety and security of our employees and customers. Our training will be comprehensive as it relates to security, and as detailed other places in this operations plan.

#### **Security and Alarm Systems:**

NECC has employed a security company with a stellar reputation for expertise and safety, Eagle Investigation Services, Inc. NECC, in partnership with Eagle Investigation, will operate a comprehensive and exceptional alarm and surveillance system. We will have external security video monitoring of 100% of the inside, outside and parking lot of the marijuana facility. Cameras will be placed strategically to capture identifying information of every vehicle in our area, for example, to capture license plate information of customers and people in the space of the dispensary.

Security video will include sound, and will be recorded and saved in high definition in a way that is available for law enforcement or any internal or external investigation.

NECC has made the decision in conjunction to be as secure as possible – going above and beyond CCC regulations. For example, instead of a heavy duty safe, we have committed to retrofitting a room that is concrete reinforced and immobile. We are utilizing a safe within a safe room for cash deposits that is only accessible by management.

NECC will use electronic access doors within the facility where appropriate so that certain employees without access to restricted areas like the safe room are not able to gain access to them. We plan to review all security details with the Groton Police and Fire Departments

NECC will have panic/emergency alarm systems wired in many places strategically across the building. We will coordinate response times and panic activation with local law enforcement. Our security systems will be online 100% of the time whether the store is open or closed.

NECC will perform routine checks of our safety system, and when necessary consult with outside systems to test our security systems and update them as technology advances.

Additional precautions and measures will be taken to ensure that NECC is among the safest places in Groton:

- We will employ a data security company to ensure all records and customer information is digitally protected from data breaches and intrusions
- We will utilize motion sensors with hair-triggers to maximize information should there be an incident in the area



- Cameras will be weather-proofed so that snow rain or other conditions do not impact the quality of the information gathered
- We will employ technology like infrared, night vision and other systems to ensure maximum security
- The holding room will be a locked barrier to prevent intruders and maximize response time in the event of an invasion
- We will make sure that no loitering takes place at the facility
- Panic buttons will exist in every room of the facility, and multiple will exist in rooms like the holding room and main floor areas.
- We will consider and work with the town of Groton to install alarms that indicate an incident that may require armed responses and differentiate that from smaller nuisance issues
- No person aside from trained agents of NECC shall be permitted to handle the cannabis on site.